## **REMARKS**

Claims 1-4, 7-10, 14-21 and 24-26 have been amended. Claims 27-29 have been added and claims 5, 6, 11-13, 22 and 23 have been deleted. Please charge any claims fees or other fees for entry of this Amendment to our Deposit Account 03-3415.

The Examiner has rejected applicants' claims 1-26 under 35 USC 103(a) as unpatentable based on the Atkins, et al. patent taken with the Loui, et al. reference (US Published patent Application Publication No. 2003/0072468). With respect to applicants' claims, as amended, this rejection is respectfully traversed.

Applicants' independent claims 1, 16 and 17 have been amended to better define applicants' invention. More particularly amended claim 1 recites a method of <u>laying out</u> <u>images extracted</u> from a plurality of images <u>on pages of a photo album</u>, comprising: a setting step of setting a number of <u>the</u> images to be extracted from the plurality of images according to a user operation; a recognition step of recognizing evaluations for the plurality of images, wherein the evaluations are values set for the plurality of images by a user and designating rating scores of the plurality of images evaluated by the user; an extraction step of extracting the set number of the images from the plurality of images based on the recognized evaluations; and a layout step of laying out the images extracted in said extraction step in accordance with an order of priority previously set to layout regions for images to be laid out on each of the pages of the photo album, wherein the previously set order of priority is determined in said layout step based on a parameter different from the evaluations. Independent claims 16-20 have been similarly amended and independent claims 24-26 have been amended and recite like features.

As can be appreciated, applicants' amended claim 1 now clarifies that in applicants' invention images extracted from a plurality of images based on evaluations are laid out in accordance with an order of priority previously set to each of layout regions for images to be laid out on each of pages of a photo album. This claim now also specifies that the order of priority for laying out the images is determined based on a parameter different from the evaluations. These features are supported, for example, by the "frames" included in the "templates" disclosed in applicants' specification at page 15, lines 24-26.

In addition, page 16, lines 11-17, of applicants' specification describe a wider variety of layouts. Specifically, as discussed therein, the order of priority is previously set to each of the layouts, and is determined based on a parameter, such as the date and time at which the photographic image was made, the simple size of the image shown, or the order of arrangement on the design regarding images and their layout. Thus, the claimed invention makes possible to easily and effectively create a visually more interesting photo album with pages having various layouts.

Such constructions of applicants' amended claims are not taught or suggested by the cited art of record. The Examiner acknowledges that the Atkins, et al. patent fails to teach designating rating scores of the plurality of images evaluated by the user. Nonetheless, the Examiner now cites the Loui, et al. reference and argues that this reference teaches the latter feature and thus when combined with the Atkins, et al. patent results in applicants' invention.

The Loui, et al. reference describes determining placement of pictures on each page based upon event boundaries and/or metadata. (Page 6, paragraph [0059], lines 1-5). The Atkins, et al. patent also uses metadata included with the images to layout the images (col. 3,

lines 42-45). That is, the references merely disclose laying out images by using data included in each of the images (e.g., metadata).

However, neither references teaches or suggests laying out images in accordance with an order of priority previously set to each of the layout regions, i.e., an order of priority previously set to layout regions for images to be laid out on each of the pages of the photo album, wherein the previously set order of priority is determined in said layout step based on a parameter different from the evaluations, as recited in applicants' amended claim 1. Thus, such claim and applicants' other amended claims, all of which recite such or like features, thus patentably distinguish over the Atkins, et al. patent and Loui, et al. reference.

Applicants also submit that the feature of "extracting the set number of the images from the plurality of images in descending order of the recognized evaluations" recited in applicants' claims 18-20, further patentably distinguishes these claims over the cited references.

Additionally the features of "wherein said extraction step comprises extracting at least one image from the images belonging to each of the groups into which the plurality of images are divided and executing the extraction of the images until a number of images extracted from all the groups reaches to the set number, and wherein said extracting step comprises eliminating an image, the recognized evaluations of which is lower than a specific value, from the set number of images, even where the total number of the extracted images does not reach to the set number" of claims 24-26 further patentably distinguish these claims over the cited references.

In view of above, it is submitted that applicants' claims, as amended, patentably distinguish over the cited art of record. Accordingly, reconsideration of the claims is respectfully requested.

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